

JUDY B. CALTON, ESQ.  
SHERYL L. TOBY, ESQ.  
HONIGMAN MILLER SCHWARTZ AND COHN LLP  
2290 First National Building  
Detroit, MI 48226  
Telephone: (313) 465-7344  
Facsimile: (313) 465-7345  
jcalton@honigman.com

JOAN C. WRIGHT, ESQ.  
JAMES R. CAVILIA, ESQ.  
ALLISON, MACKENZIE, RUSSELL, PAVLAKIS, WRIGHT & FAGAN, LTD.  
402 North Division Street  
P.O. Box 646  
Carson City, NV 89702  
Telephone: (775) 687-0202  
Facsimile: (775) 882-7918  
jwright@allisonmackenzie.com  
Attorneys for Trustee

FILED AND ENTERED  
ON AUG 14 2003

**UNITED STATES BANKRUPTCY COURT**  
**DISTRICT OF NEVADA**

In re:	:	Case Nos. BK-N-03-052300-GWZ
	:	through BK-N-03-52304 and
	:	BK-N-03-052470 through BK-N-03-052474
	:	In Joint Administration (interim basis)
	:	Chapter 11
	:	
MEGO FINANCIAL CORP., <u>et al.</u> ,	:	FINAL ORDER (I) AUTHORIZING
	:	POSTPETITION FINANCING, (II)
	:	AUTHORIZING USE OF CASH, ,
	:	COLLATERAL AND (III) GRANTING
	:	ADEQUATE PROTECTION
	:	
Debtors.	:	
	:	
	:	Date of Hearing: August 13, 2003
	:	Time of Hearing: 2:30 p.m.
	:	Time Req'd: 1 Hour

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Upon the motion (the "Motion") dated July 25, 2003 of C. Alan Bentley, the Chapter 11 trustee (in such capacity, the "Trustee") of Mego Financial Corporation, Leisure Homes Corporation, Leisure Resorts Corporation, Leisure Services Corporation and Atlantic

Development Corporation (the “Initial Debtors”) and Steamboat Suites, Inc., Brigantine Preferred Properties, Inc., Colorado Land and Grazing Corporation, Cimarron Golf Club, LLC and Overlook Food & Beverage Company (the “Subsequent Debtors”, each Initial Debtor and each Subsequent Debtor, a “Debtor”, and the Initial Debtors and Subsequent Debtors, collectively, the “Debtors”), the Trustee, on behalf of the Initial Debtors, and the Subsequent Debtors are (a) seeking this Court’s authorization pursuant to Sections 105, 363(c), 364(c)(1), 364(c)(2), 364(c)(3) and 364(d)(1) of Title 11 of the United States Code, 11 U.S.C. §§ 101, et seq. (as amended, the “Bankruptcy Code”) and Rules 2002, 4001(c) and 9014 of the Federal Rules of Bankruptcy Procedure (as amended, the “Bankruptcy Rules”), for the Debtors inter alia, (i) to obtain secured postpetition financing (the “Postpetition Financing”) up to an aggregate principal amount not to exceed \$8,000,000 from Textron Financial Corporation (“Textron”), as administrative agent (in such capacity, the “Agent”), and certain of its affiliates (including Textron, the “Lenders”), each of which is a Textron Prepetition Lender (as defined below), and for the Trustee, on behalf of the Debtors (either in its capacity as Trustee or authorized signatory of each Subsequent Debtor) to execute a Revolving Credit Agreement with respect to the Postpetition Financing (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”, collectively with all ancillary documents at any time executed in connection therewith, the “Loan Documents”), (ii) to grant the Lenders security interests in substantially all of the Debtors’ presently owned and after-acquired property to secure the Debtors’ obligations under the Loan Documents and (iii) to grant the Lenders priority in payment with respect to such obligations over any and all administrative expenses of the kinds specified in Bankruptcy Code §§ 503(b) and 507(b), other than in respect of the Carve-Out (as defined below); (b) seeking this Court’s authorization, pursuant to Bankruptcy Code § 363(c), to use the Textron Cash Collateral (as defined below) and, pursuant to Bankruptcy Code §§ 361, 363(e) and 364(d), to provide

adequate protection to the Textron Prepetition Lenders (as defined below) with respect to any diminution in the value of the Textron Prepetition Lenders' (as defined below) interests in the Textron Prepetition Collateral (as defined below) resulting from the priming liens and security interests to be granted herein pursuant to Bankruptcy Code § 364(d) to secure the Postpetition Financing, the use of the Textron Cash Collateral, the use, sale or lease of the Textron Prepetition Collateral (other than the Textron Cash Collateral) or the imposition of the automatic stay pursuant to Bankruptcy Code § 362(a); (c) seeking a preliminary hearing (the "Preliminary Hearing") on the Motion to consider entry of an interim order pursuant to Bankruptcy Rule 4001 (the "Interim Order") authorizing the Debtors, inter alia, to borrow from the Lenders under the Credit Agreement up to an aggregate of \$5,200,000, all upon the terms and conditions set forth in the Loan Documents and the Interim Order pending the Final Hearing referred to below; and (d) requesting that a final hearing (the "Final Hearing") be scheduled, and that notice procedures in respect of the Final Hearing be established, by this Court to consider entry of a final order (this "Final Order") authorizing on a final basis, inter alia, the Postpetition Financing and the use of the Textron Cash Collateral; and due and sufficient notice of the Motion and the Final Hearing under the circumstances having been given; and the Preliminary Hearing on the Motion having been held before this Court on July 29, 2003; and the Final Hearing on the Motion having been held before this Court on August 13, 2003; and upon the entire record made at the Preliminary Hearing and the Final Hearing, and this Court having found good and sufficient cause appearing therefore,

**IT IS HEREBY FOUND that:**

A. On July 9, 2003, the Initial Debtors (i.e., Mego Financial Corp., Leisure Homes Corporation, Leisure Resorts Corporation, Leisure Services Corporation and Atlantic Development Corporation) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. On July 10, 2003, the Court, pursuant to Bankruptcy Code § 1104, appointed C. Alan

Bentley as the Chapter 11 Trustee of the Initial Debtors. On July 21, 2003, the Subsequent Debtors (i.e., Steamboat Suites, Inc., Brigantine Preferred Properties, Inc., Colorado Land and Grazing Corporation, Cimarron Golf Club, LLC and Overlook Food & Beverage Company) filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code (the Chapter 11 cases of the Initial Debtors and the Subsequent Debtors, collectively, the "Chapter 11 Cases"). The Subsequent Debtors have filed a motion pursuant to Bankruptcy Code § 1104 to appoint C. Alan Bentley as the Chapter 11 Trustee of the Subsequent Debtors. For purposes of this Final Order, "Applicable Filing Date" shall mean, with respect to the Initial Debtors, July 9, 2003, and with respect to the Subsequent Debtors, July 21, 2003.

B. This Court has jurisdiction over the Chapter 11 Cases and the Motion pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of the Motion constitutes a core proceeding as defined in 28 U.S.C. § 157(b)(2).

C. Dorfinco Corporation, Litchfield Financial Company and Textron (collectively, the "Textron Prepetition Lenders") made loans and other financial accommodations to or for the benefit of the Debtors and their subsidiaries pursuant to the following agreements: (i) Loan and Security Agreement dated as of August 12, 1998, between Dorfinco Corporation, as lender, and Leisure Homes Corporation, as borrower (as amended, the "Inventory Loan I"), (ii) General Loan and Security Agreement (Inventory Loan) dated as of December 17, 1999 by and among Dorfinco Corporation, as lender, and Leisure Homes Corporation and Steamboat Suites, Inc., as borrowers (as amended, the "Inventory Loan II"), (iii) General Loan and Security Agreement dated as of March 30, 2001, by and among Dorfinco Corporation, as lender, and Leisure Homes Corporation and Brigantine Preferred Properties, Inc., as borrowers (as amended, the "Inventory Loan III"), (iv) Loan and Security Agreement dated as of July 30, 1997 between Litchfield Financial Company, as lender, and Leisure Homes Corporation, as borrower (as

amended, the "Grand Flamingo Mortgage Loan"), (v) First Amended and Restated General Loan and Security Agreement dated as of June 22, 2001 by and among Dorfinco Corporation, as lender, and Leisure Homes Corporation and Colorado Land and Grazing Corporation, as borrowers (the "Land Lot Receivable Facility"), (vi) General Loan and Security Agreement (Receivables Loan) dated as of December 17, 1999 by and among Textron, as lender, and Leisure Homes Corporation and Steamboat Suites, Inc., as borrowers (as amended, the "Receivables Loan Agreement"), (vii) the First Amendment to the Loan and Loan Documents dated as of August 29, 2002 between Textron, as lender, and Cimarron Golf Club, LLC, as borrower (the "Golf Loan") and (viii) Loan and Security Agreement dated as of October 20, 1999 by and among Textron, as lender, and Royale Mirage Partners, L.P. and Leisure Services Corporation, as borrowers (as amended, the "Development and Receivables Loan Agreement"). All such loans, financial accommodations and other amounts owing under, or in connection with, the documents listed above and all collateral and ancillary documents executed in connection therewith, including, without limitation, any guarantees (collectively, the "Textron Prepetition Loan Documents"), are hereinafter referred to as the "Textron Prepetition Obligations."

D. Without prejudice to the rights of any other party (but subject to the limitations thereon described below in Paragraph 16), the Trustee and each Debtor admits that, in accordance with the terms of the Textron Prepetition Loan Documents, the Debtors are truly and justly indebted to the Textron Prepetition Lenders, without defense, counterclaim or offset of any kind, and that as of the Applicable Filing Date (i)(A) with respect to the Inventory Loan I, Leisure Homes Corporation was liable to Dorfinco Corporation in the aggregate principal amount of \$2,078,000, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (B) with respect to the Inventory Loan II, Leisure Homes Corporation and Steamboat Suites, Inc. were jointly and severally liable to Dorfinco Corporation in the aggregate principal amount of

\$5,129,556, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (C) with respect to the Inventory Loan III, Leisure Homes Corporation and Brigantine Preferred Properties, Inc. were jointly and severally liable to Dorfinco Corporation in the aggregate principal amount of \$2,880,451, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (D) with respect to the Grand Flamingo Mortgage Loan, Leisure Homes Corporation was liable to Litchfield Financial Company in the aggregate principal amount of \$1,972,170, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (E) with respect to the Land Lot Receivable Facility, Leisure Homes Corporation and Colorado Land and Grazing Corporation were jointly and severally liable to Dorfinco Corporation in the aggregate principal amount of \$3,547,634, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (F) with respect to the Receivables Loan Agreement, Leisure Home Corporation and Steamboat Suites, Inc. were jointly and severally liable to Textron in the aggregate principal amount of \$13,406,530, plus accrued and unpaid interest thereon and any fees due and owing thereunder, (G) with respect to the Golf Loan, Cimarron Golf Club, LLC was liable to Textron in the aggregate principal amount of \$9,191,193, plus accrued and unpaid interest thereon and any fees due and owing thereunder and (H) with respect to the Development and Receivables Loan Agreement, Royale Mirage Partners, L.P. and Leisure Services Corporation were jointly and severally liable to Textron in the aggregate principal amount of \$7,166,126, plus accrued and unpaid interest thereon and any fees due and owing thereunder, and (ii) each Debtor party to a guaranty executed and delivered in respect of the Textron Prepetition Obligations was contingently liable to the Textron Prepetition Lender(s) pursuant to such guaranty.

E. Without prejudice to the rights of any other party (but subject to the limitations thereon described below in Paragraph 16), the Trustee and each Debtor further admits

that the Textron Prepetition Obligations are secured by valid, perfected, enforceable, first-priority (other than in respect of Lot 16, Block 12, Unit 9A, Nye County, Nevada) liens and security interests granted by the applicable Debtors to the Textron Prepetition Lenders, upon and in certain of the Debtors' assets and property (including any setoff rights described in the Textron Prepetition Loan Documents or arising by operation of law, the "Textron Prepetition Collateral"), including, without limitation, (i) with respect to the Inventory Loan I, that certain parcel of undeveloped land located in Nye County, Nevada, (ii) with respect to the Inventory Loan II, (A) all right, title and interest of Steamboat Suites, Inc. and Leisure Homes Corporation to and under all notes receivable pledged pursuant to the Receivables Loan Agreement, together with all payments and proceeds thereunder, (B) all right, title and interest of Steamboat Suites, Inc. and Leisure Homes Corporation in to and under franchises, permits, trademarks, leasehold interests, management contracts, marketing contracts, security contracts relating to the Hilltop and Steamboat Resorts and other similar contracts or guarantees, (C) all other accounts, contract rights and general intangibles related to the use or operation of the Hilltop and Steamboat Resorts, (D) all books and records related to the Hilltop and Steamboat Resorts, (E) all furniture and fixtures of each unit and all machinery, equipment and furnishings found on or used in connection with the Hilltop and Steamboat resorts, (F) all right, title and interest of Steamboat Suites, Inc. and Leisure Homes Corporation in the Hilltop and Steamboat Resorts, including all timeshare intervals, condominium declarations, all building materials and supplies, all rents, issues and profits and condemnation awards pertaining to the Hilltop Resort (as defined in the Inventory Loan II) and Steamboat Resorts (as defined in the Inventory Loan II), (G) all judgments, claims and insurance proceeds relating to the Hilltop and Steamboat Resorts and (H) all other mortgaged property related to the Hilltop and Steamboat Resorts; (iii) with respect to the Inventory Loan III, (A) all right, title and interest of Leisure Homes Corporation and Brigantine Preferred Properties,

Inc. to any franchises, permits, trademarks, leasehold interests, management contracts, marketing contracts, security contracts, timeshare documents or other similar contracts and guaranties relating to certain lots available for sale located in Parhump, Nevada (the "Calvada Lots") or timeshare intervals for any unit in The Ramada Vacation Suites at Brigantine Beach Resort, consisting of Brigantine Inn Resort Club and Brigantine Villas in Brigantine, New Jersey, The Ramada Vacation Suites Resort at Las Vegas consisting of Grand Flamingo Terraces, Grand Flamingo Towers, Grand Flamingo Villas and Grand Flamingo Winnick in Las Vegas, Nevada, The Ramada Vacation Suites Resort at Reno in Reno, Nevada, The Ramada Vacation Suites Resort at Indian Shores in Indian Shores, Florida and The Ramada Vacation Suites Resorts at Whites Sands in Honolulu, Hawaii (the "Inventory Loan III Resorts"), (B) all other accounts, contract rights, general intangibles, documents and proceeds related to the Inventory Loan III Resorts, (C) all books and records related to the Inventory Loan III Resorts, (D) all furniture, fixtures and furnishings located in the Inventory Loan III Resorts, excluding property owned by occupants and the various owners' associations related to the Inventory III Resorts, (E) all right, title and interest of Leisure Homes Corporation and Brigantine Preferred Properties, Inc. in certain timeshare units, condominium declarations, building materials, supplies, rents, issues, profits and condemnation awards related to the Inventory Loan III Resorts, (F) all right, title and interest of Leisure Homes Corporation and Brigantine Preferred Properties, Inc. in the Calvada Lots, all condominium declarations, rents, issues, profits and condemnation awards pertaining to the Calvada Lots, (G) all right, title and interest of Leisure Homes Corporation and Brigantine Preferred Properties, Inc. in any judgments, settlements, claims, awards, insurance proceeds and compensation made or payable in connection with the Inventory Loan III Resorts or the Calvada Lots and (H) all other mortgaged property related to the Inventory Loan III Resorts or the Calvada Lots, (iv) with respect to the Grand Flamingo Mortgage Loan, (A) Leisure Homes



Corporation's fee simple interest in the real property comprising the Grand Flamingo Suites, (B) an assignment of all leases, licenses, rents and revenues together with all insurance and condemnation proceeds related to the Grand Flamingo Suites, (C) an assignment of all of Leisure Homes Corporation's rights in all licenses, permits, consents and other agreements pertaining to the use, occupancy or maintenance relating to the Grand Flamingo Suites and all related accounts and proceeds, (D) a first priority lien on all of Leisure Homes Corporation's inventory, supplies, accounts and general intangibles (not including receivables accounting for the sale of timeshare intervals) at any time located at or arising out of use of the Grand Flamingo Suites, (E) a first priority security interest in all of Leisure Homes Corporation's interest in all furniture, appliances, machinery and equipment used in connection with the Grand Flamingo Suites and (F) all proceeds of the foregoing, (v) with respect to the Land Lot Receivable Facility, (A) a first priority security interest in pledged promissory notes, where such note pertains to the sale of certain lots located in Nevada and Colorado (the "Lot Pledged Note Receivables"), all amendments and extensions and all pledged deeds of trusts and assignments of rents which secure payment of the Lot Pledged Notes Receivable (the "Pledged Deeds of Trust") and all amendments and extensions and all proceeds thereof, (B) all title insurance policies insuring the Pledged Deeds of Trust, (C) all documents, instruments and chattel paper relating to the Lot Pledged Notes Receivable and the Pledged Deeds of Trust, (D) all books and records evidencing the Lot Pledged Notes Receivables and the Pledged Deed of Trust and (E) all of the right, title and interest of Leisure Homes Corporation and Colorado Land and Grazing Corporation in all goods, furniture, machinery and equipment located in any lot encumbered by a Pledged Deed of Trust, (vi) with respect to the Receivables Loan Agreement, (a) all right, title and interest of Steamboat Suites, Inc., Brigantine Preferred Properties, Inc. and Leisure Homes Corporation in pledged promissory notes which provide for payment of the deferred purchase price of certain timeshare intervals in the Steamboat

Resort, Hilltop Resort and Inventory Loan III Resorts together with all payments and proceeds thereunder, (B) all right, title and interest of Steamboat Suites, Inc., Brigantine Preferred Properties, Inc. and Leisure Homes Corporation in, to and under franchises, permits, trademarks, leasehold interests, management contracts, marketing contracts, security contracts and all documents relating to the Hilltop Resort, Steamboat Resort and the Inventory Loan III Resorts and other similar contracts or guarantees, (C) all other accounts, contract rights and general intangibles related to the use or operation of the Hilltop Resort, the Steamboat Resort and the Inventory Loan III Resorts, (D) all books and records related to the Hilltop Resort, the Steamboat Resort and the Inventory Loan III Resorts, (E) all furniture and fixtures of each unit and all machinery, equipment and furnishings found on or used in connection with the Hilltop Resort, Steamboat Resort and Inventory Loan III Resorts, (F) all right, title and interest of Steamboat Suites, Inc., Brigantine Preferred Properties, Inc. and Leisure Homes Corporation in the Hilltop Resort, the Steamboat Resort and Inventory Loan III Resorts, including all timeshare intervals, condominium declarations, all building materials and supplies, all rents, issues and profits and condemnation awards pertaining thereto, (G) all judgments, claims and insurance proceeds relating to the Hilltop Resort, Steamboat Resort and Inventory Loan III Resorts and (H) all other mortgaged property related to the Hilltop Resort, Steamboat Resort and Inventory Loan III Resorts, (vii) with respect to the Golf Loan, certain real property located in Riverside County, California and the golf courses and related amenities constructed thereon and (viii) with respect to the Development and Receivables Loan Agreement, (A) all interest in the timeshare estates in the Cimarron Golf Resort located in Cathedral City, California, (B) the Cimarron Golf Resort and the adjacent real property, together with all existing and future buildings, structures and improvements, (C) all existing and future leases, licenses, rents and other benefits payable for the use or operation of the Cimarron Golf Resort and adjacent properties, (D) all existing and future

licenses, permits, consents and other agreements pertaining to the Cimarron Golf Resort and adjacent property including construction contracts, management contracts and any bonds or agreements guaranteeing the completion or payment of the obligations contained in the foregoing, (E) all plans and specifications for the development and construction of the Cimarron Golf Resort and all existing and future agreements for the furnishing of architectural, engineering or design services, (F) all existing and future inventory, supplies, accounts, chattel paper and general intangibles at any time located at, arising out of or used in connection with the Cimarron Golf Resort and adjacent property, (G) all existing and future furniture, appliances, machinery, fixtures and equipment owned or acquired by Royale Mirage, L.P., (H) that certain license among Cimarron Golf Club, LLC, as licensor, Royale Mirage, L.P., as developer, and the Cimarron Resort Condominium Owners Association and the Cimarron Resort Interval Owners' Association, dated as of March 23, 1999, (I) all existing and future promissory notes executed in favor of Royale Mirage Partners, L.P. financing a purchaser's acquisition of a time share estate in the Cimarron Golf Resort, (J) all time share intervals securing the promissory notes in clause (I) above and the related agreements and documents, (K) all existing and future interests in the common areas of the Cimarron Golf Resort and all facilities and amenities, (L) all existing and future documents, accounts and general intangibles relating to the promissory notes pledged pursuant to clause (I) above, (M) all existing and future furniture and fixtures in the common areas and units of the Cimarron Golf Resort, (N) all existing and future rights in the pre-authorized electronic debit agreements by any purchaser for the payment of a promissory note to purchase a time share estate in the Cimarron Golf Resort, (O) all existing and future reservation agreements, together with all accounts, chattel paper and general intangibles related to any deposit monies, (P) all existing and future rights of Royale Mirage Partners, L.P. under the Condominium Declarations and the Declaration of Covenants with respect to the Cimarron Golf

Resort, (Q) all proceeds of the above, (R) all of Mego Financial Corporation's interest under the Project Development Agreement dated May 3, 2002, (S) all of Mego Financial Corporation's rights, title and interest as a beneficiary under the Trust Agreement dated as of September 28, 2001 with respect to matters related to sale agreements of the timeshare estates and the timeshare interests in the Cimarron Golf Resort and (T) proceeds from the cancellation and resale of any timeshare sale agreement related to the Cimarron Golf Resort. The proceeds of the Textron Prepetition Collateral constitute cash collateral of the Textron Prepetition Lenders within the meaning of Bankruptcy Code § 363(a) (the "Textron Cash Collateral"). The Textron Prepetition Lenders are entitled, pursuant to Bankruptcy Code §§ 361 and 363(e), to adequate protection of their interests in the Textron Prepetition Collateral, to the extent valid and enforceable, including for the use of the Textron Cash Collateral, the use, sale or lease of the Textron Prepetition Collateral (other than the Textron Cash Collateral), the imposition of the automatic stay and the priming of the Textron Prepetition Lenders' liens under Bankruptcy Code § 364(d).

F. The Debtors do not have sufficient available sources of working capital and financing to carry out an orderly liquidation of the Debtors' businesses without the Postpetition Financing and the use of the Textron Cash Collateral. The Debtors' ability to maintain business relationships with their customers, vendors and suppliers, to pay their employees and to continue the operation of their properties, is essential to an orderly liquidation. In addition, the Debtors' critical need for financing is immediate. In the absence of the Postpetition Financing and the use of the Textron Cash Collateral, serious and irreparable harm to the Debtors and their estates would occur. The preservation, maintenance and enhancement of the going concern value of the Debtors are of the utmost significance and importance to a successful liquidation of the Debtors under Chapter 11 of the Bankruptcy Code.

G. Given the Debtors' current financial condition, financing arrangements and

capital structure, the Debtors cannot obtain unsecured credit allowable under Bankruptcy Code § 503(b)(1) as an administrative expense. Financing on a postpetition basis is not otherwise available without the Debtors (i) granting, pursuant to Bankruptcy Code § 364(c)(1), claims having priority over any and all administrative expenses of the kinds specified in Bankruptcy Code §§ 503(b) and 507(b), other than as described below in respect of the Carve-Out, (ii) securing, pursuant to Bankruptcy Code §§ 364(c) and (d), such indebtedness and obligations with security interests in and liens on substantially all of the Debtors' assets as described below, and (iii) providing for adequate protection of the Textron Prepetition Lenders' interests as described below.

H. On July 29, 2003, the Court held the Preliminary Hearing and expressly authorized the Debtors to borrow from the Lenders, on the terms and subject to the conditions set forth in the Loan Documents and the Interim Order, a total of \$5,200,000 under the Credit Agreement pending the Final Hearing.

I. Notice of the Final Hearing and the relief requested in the Motion has been given to (i) the Office of the United States Trustee, (ii) counsel to the Textron Prepetition Lenders, (iii) creditors holding the 20 largest unsecured claims against each Debtor or their counsel, if known and (iv) the members of the creditors' committee appointed in the Chapter 11 Cases. Under the circumstances, such notice of the Final Hearing and the relief requested in the Motion complies with the requirements of Bankruptcy Code §§ 102(1), 364(c) and 364(d) and Bankruptcy Rules 2002 and 4001(c).

J. Based on the record presented to the Court by the Trustee and the Debtors at the Preliminary Hearing and the Final Hearing, the Postpetition Financing has been negotiated in good faith and at arm's length between the Trustee and the Debtors on one hand, and the Lenders on the other hand, and any credit extended, guarantees or other types of credit support

issued and loans made to the Debtors pursuant to the Credit Agreement and the other Loan Documents shall be deemed to have been extended, issued or made, as the case may be, in good faith as required by, and within the meaning of, Bankruptcy Code § 364(e).

K. Based on the record presented to the Court by the Trustee and the Debtors at the Preliminary Hearing and the Final Hearing, the terms of the Postpetition Financing appear to be fair and reasonable, reflect the Trustee's and the Debtors' exercise of prudent business judgment consistent with their respective fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

L. The Trustee, on behalf of the Debtors, has requested immediate entry of this Final Order pursuant to Bankruptcy Rules 4001(b)(2) and 4001(c)(2). The permission granted herein to enter into the Postpetition Financing and obtain funds thereunder, and to use the Textron Cash Collateral, is necessary to avoid immediate and irreparable harm to the Debtors. This Court concludes that good and sufficient cause has been shown for entry of this Final Order, and that entry of this Final Order is in the best interest of the Debtors' respective estates and creditors as its implementation will, among other things, allow the Debtors to conduct an orderly liquidation of their estates.

M. The Trustee, on behalf of the Debtors, the Agent and the Lenders agree to amend the Credit Agreement to insert a new subsection 8.2.3(o) which shall read as follows: "(o) junior liens granted as adequate protection to Heller Financial Corporation ("Heller") pursuant to order of the Bankruptcy Court, upon prior notice and motion, to which the Agent may object, for use of cash collateral, ~~provided that any such junior liens shall be limited to properties in which Heller has a valid senior prepetition lien.~~"

Based upon the foregoing findings and conclusions, and upon the record made before this Court at the Preliminary Hearing and the Final Hearing, and good and sufficient cause

appearing therefore;

**IT IS HEREBY ORDERED** that:

1. The Motion is granted, subject to the terms and conditions set forth in this Final Order.

2. The Trustee, on behalf of the Debtors, is expressly authorized and empowered to execute and deliver the Credit Agreement and any other Loan Documents. The Trustee and the Debtors are authorized and directed to comply with and perform all of the terms and conditions of the Loan Documents, and are directed to repay amounts borrowed, in accordance with and subject to the terms and conditions set forth in the Loan Documents and this Final Order. The Trustee and the Debtors are further authorized and directed to pay all fees and expenses, including without limitation, all reasonable fees and expenses of professionals engaged by the Lenders, in accordance with the terms of the Credit Agreement. All loans made under the Credit Agreement (the "Loans") and interest thereon and all fees, costs, expenses, indebtedness, obligations and liabilities of the Debtors to the Lenders under the Loan Documents and this Final Order are hereinafter referred to as the "Obligations."

3. The Debtors are expressly authorized to borrow from the Lenders, on the terms and subject to the conditions set forth in the Loan Documents and this Final Order, a total of \$8,000,000 under the Credit Agreement. The Debtors are authorized to use the proceeds of the Loans and to use the Textron Cash Collateral (i) for repayment of amount borrowed by the Debtors pursuant to the Emergency Orders (as defined below), (ii) in the operation of (a) those assets of the Debtors on which the Lenders have been granted a perfected first priority priming lien pursuant to Bankruptcy Code § 364(d)(1), including, without limitation, to pay certain pre-Applicable Filing Date health insurance premiums in an amount equal to approximately \$485,000, and (b) that certain resort owned by Leisure Resorts Corporation and located in

Orlando, Florida and (iii) for payment of Chapter 11 expenses, including professional fees, in each case, in accordance with a pre-approved budget (as defined in, and subject to approval pursuant to, the Credit Agreement, the "Budget"), provided, however, that (i) the proposed Loan shall be made and the use of the Textron Cash Collateral shall be in accordance with the terms and conditions set forth in the Credit Agreement and this Final Order and shall be used to pay when due expenses of the types set forth in the Budget and (ii) any requested Loan shall be necessary after the Debtors' use of all available Textron Cash Collateral. The Debtors are expressly authorized to use the proceeds of the Loans to repay in full, in accordance with the Credit Agreement, the aggregate outstanding principal amount of loans made pursuant to (a) that certain Order Approving Interim Financing with Textron Financial (entered verbally and effective July 11, 2003) and (b) that certain Order Approving Second Interim Financing with Textron Financial Corporation dated July 18, 2003 (together, the "Emergency Orders") plus all accrued and unpaid interest thereon and all fees, costs and other charges payable in connection therewith.

4. If an Event of Default (as defined in the Credit Agreement) occurs, subject to the requirement contained in the Credit Agreement with respect to specified remedies to provide three business days' prior written notice to the Trustee, the United States Trustee and counsel for the creditors' committee and any other statutory committee appointed in the Chapter 11 Cases under Bankruptcy Code § 1102 (each a "Committee"), the Required Lenders (as defined in the Credit Agreement), may terminate the Postpetition Financing (the date of any such termination, the "Termination Date") and declare the Loans to be immediately due and payable, and the automatic stay pursuant to Bankruptcy Code § 362(a) shall be deemed lifted and modified, without further order of this Court, to permit the Lenders to exercise any and all of their rights and remedies under the Credit Agreement, the other Loan Documents and this Final Order. In addition, the Debtors' right to use the Textron Cash Collateral shall terminate automatically on



the earlier to occur of (i) the third business day after the Lenders provide written notice to the Trustee, the United States Trustee and counsel to each Committee of the occurrence of an Event of Default and that such use of Textron Cash Collateral shall terminate as a result thereof or (ii) the Stated Maturity Date (as defined in the Credit Agreement). Notwithstanding anything herein to the contrary, no Loans, Collateral (as defined below), Textron Cash Collateral or any portion of the Carve-Out may be used to object to or contest in any manner, or raise any defenses to, the validity, perfection, priority, extent or enforceability of the Textron Prepetition Obligations, the Obligations or the liens securing the Textron Prepetition Obligations or the Obligations, or to assert any claims or causes of action against the Textron Prepetition Lenders or the Lenders.

5. In accordance with Bankruptcy Code § 364(c)(1), subject to Paragraph 7 below, the Obligations shall constitute claims (the “Superpriority Claims”) with priority in payment over any and all administrative expenses of the kinds specified or ordered pursuant to any provision of the Bankruptcy Code, including, without limitation, Bankruptcy Code §§ 105, 326, 328, 330, 331, 503(b), 506(c), 507(a), 507(b) and 726, and shall at all times be senior to the rights of the Trustee, the Debtors, any guarantor, any successor trustee or any creditor in the Chapter 11 Cases or any subsequent proceedings under the Bankruptcy Code. Subject only to the Carve-Out, no cost or expense of administration under Bankruptcy Code §§ 105, 364(c)(1), 503(b), 506(c), 507(b) or otherwise, including those resulting from the conversion of any of the Chapter 11 Cases pursuant to Bankruptcy Code § 1112, shall be senior to, or pari passu with, the Superpriority Claims of the Lenders arising out of the Obligations.

6. As security for the Obligations, the Agent (for the benefit of the Agent and the Lenders) shall have and is hereby granted (effective upon the date of this Final Order and without the necessity of the execution by the Trustee or any Debtor of mortgages, security agreements, pledge agreements, financing statements or otherwise), valid and perfected security

interests in, and liens on (the "Liens"), all present and after-acquired property of the Debtors of any nature whatsoever, including, without limitation, all tangible and intangible personal property and fixtures, 100% of the capital stock of all domestic subsidiaries of the Debtors, real estate, leasehold interests, promissory notes, including, without limitation, all inter-company notes, receivables, including, without limitation, all receivables from homeowners associations, all cash, money, certificates, investment property, securities, chattel paper, and other property contained in any account maintained by any Debtor, including all cash and cash equivalents maintained in any financial institution, books, records, writings, data bases, information, commercial tort claims (other than against the Lenders or Prepetition Lenders), and net proceeds of all causes of action arising under the Bankruptcy Code or otherwise, including all claims, causes of action and recoveries realized pursuant to Bankruptcy Code §§ 542, 544, 545, 547, 548, 549, 550, 551, 553(b) or 724(a) (collectively with all proceeds and products of any or all of the foregoing, the "Collateral") as follows:

(a) pursuant to Bankruptcy Code § 364(c)(2), a first priority, perfected Lien upon all of the right, title and interest in, to and under all Collateral held by any Debtor that is not otherwise encumbered by a validly perfected security interest or lien on the Applicable Filing Date;

(b) pursuant to Bankruptcy Code § 364(d)(1), a first priority, senior, priming, perfected Lien upon all right, title and interest in, to and under the Textron Prepetition Collateral held by any Debtor except to the extent there was a valid prepetition lien in favor of any lender other than the Textron Prepetition Lenders, which lien would not be primed; and

(c) pursuant to Bankruptcy Code § 364(c)(3), a junior, perfected Lien upon all of the right, title and interest in, to and under all Collateral (other than the Textron Prepetition Collateral) held by any Debtor, including without limitation, a validly perfected security interest or lien in existence as of the Applicable Filing Date, or a valid lien perfected (but not granted) after the Applicable Filing Date to the extent such perfection in respect of a pre-Applicable Filing Date claim is expressly permitted under the Bankruptcy Code; it being understood that the validity of any such junior lien on collateral encumbered by valid liens of Heller Financial Corporation, shall be subject to further order of the Bankruptcy Court.

Except to the extent expressly set forth in this Paragraph 6 and Paragraph 7, the Liens granted pursuant to this Final Order and the Loan Documents to the Agent (for the benefit of the Agent and the Lenders) to secure the Obligations shall not be subordinated to or made pari passu with any other lien or security interest under Bankruptcy Code § 364(d).

7. Any provision of this Final Order or the Credit Agreement to the contrary notwithstanding, the Liens and Superpriority Claims granted to the Lenders pursuant to the Credit Agreement and this Final Order shall be subject and subordinate to a carve-out (the "Carve-Out") for (a) the payment of the allowed fees of and disbursements incurred by the Trustee and the allowed professional fees of and disbursements incurred by the professionals retained by the Trustee, the Debtors and any Committee pursuant to Bankruptcy Code §§ 327, 328 or 1103(a), in an aggregate amount not to exceed \$250,000 (plus, in each case, all unpaid professional fees and disbursements incurred prior to the delivery of the Carve-Out Notice (as defined below) to the extent subsequently allowed) following the acceleration of the Obligations and notice from the Lenders of the triggering of such carve-out (the "Carve-Out Notice") and (b) payment of quarterly fees required to be paid pursuant to 28 U.S.C. § 1930(a)(6) and any fees payable to the Clerk of the Bankruptcy Court; provided, however, that the Carve-Out shall not include professional fees and disbursements incurred in connection with asserting any claims or causes of action against the Agent, the Lenders or the Textron Prepetition Lenders and/or challenging or raising any defense to the Textron Prepetition Obligations, the Obligations, or any lien of the Agent, the Lenders or Textron Prepetition Lenders. As long as the Obligations have not been accelerated and no Carve-Out Notice shall have been delivered, the Trustee shall be permitted to collect allowed fees, and the Trustee, the Debtors and the Committee shall be permitted to pay compensation and reimburse expenses, allowed and payable under Bankruptcy Code §§ 330 and 331, as the same may be payable, and the amount so paid shall not reduce the Carve-Out;

provided, however, that, upon delivery of a Carve-Out Notice, the foregoing permission to pay allowed compensation and to reimburse expenses shall be limited to the professional fees and disbursements incurred prior to the delivery of the Carve-Out Notice and subsequently allowed as described in the first parenthetical in the preceding sentence plus the Carve-Out.

8. (a) Immediately upon entry of this Final Order, the Debtors are hereby authorized to use the Textron Cash Collateral, provided that the Textron Prepetition Lenders are granted adequate protection as hereinafter set forth.

(b) As adequate protection to the Textron Prepetition Lenders for any diminution in the value of the Textron Prepetition Lenders' interests in the Textron Prepetition Collateral resulting from (i) the priming of the Textron Prepetition Lenders' liens by the Liens in favor of the Agent (for the benefit of the Agent and the Lenders) granted in the Loan Documents and this Final Order pursuant to Bankruptcy Code § 364(d), (ii) the use of the Textron Cash Collateral pursuant to Bankruptcy Code § 363(c), (iii) the use, sale or lease of the Textron Prepetition Collateral (other than the Textron Cash Collateral) pursuant to Bankruptcy Code § 363(c), and (iv) the imposition of the automatic stay pursuant to Bankruptcy Code § 362(a):

- (i) the Textron Prepetition Lenders shall be and they hereby are granted (effective upon the date of this Final Order and without the necessity of the execution by any Debtor of mortgages, security agreements, pledge agreements, financing statements or otherwise), valid, perfected and continuing, replacement security interests in, and liens on (the "Replacement Liens"), all of the Debtors' right, title and interest in, to and under the Collateral, subject only to (x) the Carve-Out, (y) the Liens granted pursuant to this Final Order and the Loan Documents to the Agent (for the benefit of the Agent and the Lenders) to secure the Obligations and (z) any validly perfected liens which remain senior (after giving effect to this Final Order) to the Liens granted to the Agent (for the benefit of the Agent and the Lenders) pursuant to this Final Order and the Loan Documents;
- (ii) the Textron Prepetition Lenders shall be and they hereby are granted, pursuant to Bankruptcy Code § 364(c)(1), Superpriority Claims, junior only to (x) the Superpriority Claims granted pursuant to this Final Order to the Agent (for the benefit of the Agent and the Lenders) in respect of the

Obligations and (y) the Carve-Out;

- (iii) the Debtors, are authorized and directed to pay all reasonable fees, costs and charges that have been or may be incurred by the Textron Prepetition Lenders (including without limitation, the reasonable fees and out-of-pocket disbursements of any financial consultants, and counsel advising the Textron Prepetition Lenders) in connection with the enforcement and protection of the rights and interests of the Textron Prepetition Lenders in the Chapter 11 Cases;
  - (iv) on the effective date of the Credit Agreement, the Debtors are authorized and directed to make adequate protection payments to the Textron Prepetition Lenders in cash in an amount equal to interest accrued and unpaid on the Textron Prepetition Obligations at the non-default rate(s) set forth in the applicable Textron Prepetition Loan Document and all other accrued and unpaid fees, costs and charges owing thereunder. Thereafter, the Debtors shall make monthly adequate protection payments to the Textron Prepetition Lenders on the first business day of each calendar month in cash in an amount equal to interest accrued and unpaid on the Textron Prepetition Obligations at the non-default rate(s) set forth in the applicable Textron Prepetition Loan Document (without prejudice to the rights of the Textron Prepetition Lenders to assert a claim for the payment of additional interest calculated at any other applicable rates of interest set forth in the Textron Prepetition Loan Documents);
  - (v) in the event that, during the pendency of the Chapter 11 Cases, there is a sale or other disposition of any Textron Prepetition Collateral, or any Collateral subject to a Replacement Lien (other than sales of inventory in the ordinary course of business), or a recovery resulting from the damage, destruction, or condemnation of Textron Prepetition Collateral, or Collateral subject to a Replacement Lien, and no Default (as defined in the Credit Agreement) or Event of Default (as defined in the Credit Agreement) has occurred and is continuing, the Debtors shall pay to the Textron Prepetition Lenders any net cash proceeds therefrom, but only after payment or satisfaction in full of the obligations owed to creditors with senior liens on such Collateral, including, without limitation, the Lenders; and
  - (vi) the Debtors shall pay to the Textron Prepetition Lenders all amounts held, and to be held during the Chapter 11 Cases, in the lock-box accounts established to collect the proceeds of accounts receivable related to the Land Lot Receivables Facility and the Receivables Loan Agreement, as required under the Land Lot Receivables Facility and the Receivables Loan Agreement, and such payments shall be applied to permanently reduce the Textron Prepetition Obligations relating to the Land Lot Receivables Facility and the Receivables Loan Agreement, as applicable.
9. Notwithstanding that the Textron Prepetition Lenders may not be

adequately protected pursuant to this Final Order, the Textron Prepetition Lenders nonetheless consent to the use of Textron Cash Collateral upon the terms and conditions of this Final Order. Notwithstanding any other provision hereof, the grant of adequate protection to the Textron Prepetition Lenders pursuant hereto is without prejudice to the right of the Textron Prepetition Lenders to seek modification of the grant of adequate protection provided hereby so as to provide different or additional adequate protection, and without prejudice to the right of the Debtors or any other party in interest to contest any such modification.

10. Except as set forth in Paragraphs 6, 7 and 8 above, the Liens and Replacement Liens shall be prior and senior to all liens and encumbrances of all other secured creditors in and to such Collateral granted, or arising, after the Applicable Filing Date (including, without limitation, liens and security interests, if any, granted in favor of any federal, state, municipal or other governmental unit, commission, board or court for any liability of the Debtors). Upon the entry of this Final Order, other than the Carve-Out, neither the Trustee nor any Debtor, shall assert, on behalf of the Debtors or their estates, a claim under Bankruptcy Code § 506(c) for any costs and expenses incurred in connection with the preservation, protection or enhancement of, or realization by the Textron Prepetition Lenders or the Agent and the Lenders upon the Collateral or the Textron Prepetition Collateral. Upon the entry of this Final Order, the Trustee, the Debtors and all other parties in interest, are deemed to waive and may not assert any rights, claims and/or benefits under Bankruptcy Code § 552(b). The Liens and Replacement Liens granted pursuant to this Final Order shall constitute valid and duly perfected security interests and liens, and the Agent, the Lenders and the Textron Prepetition Lenders shall not be required to file or serve financing statements, notices of lien or similar instruments which otherwise may be required under federal or state law in any jurisdiction, or take any action, including taking possession, to validate and perfect such security interests and liens; and the

failure by the Trustee or any Debtor to execute any documentation relating to the Liens or Replacement Liens shall in no way affect the validity, perfection or priority of such Liens or Replacement Liens. If, however, the Agent, the Lenders, or the Textron Prepetition Lenders, in their respective sole discretion, shall determine to file any such financing statements, notices of lien or similar instruments, or to otherwise confirm perfection of such Liens or Replacement Liens, the Trustee and the Debtors are directed to cooperate with and assist in such process. The stay imposed by Bankruptcy Code § 362(a) is hereby lifted to allow the filing and recording of a certified copy of this Final Order or any such financing statements, notices of lien or similar instruments, and all such documents shall be deemed to have been filed or recorded at the time of and on the date of this Final Order.

11. As long as any portion of the Obligations remains unpaid, or any Loan Document remains in effect, neither the Trustee nor any Debtor, shall seek, and it shall constitute an Event of Default (and automatic occurrence of the Termination Date (as defined in the Credit Agreement)) if the Trustee or any Debtor seeks, or if there is entered, an order dismissing or converting any of the Chapter 11 Cases to a case under another chapter of the Bankruptcy Code. If an order dismissing or converting any of the Chapter 11 Cases under Bankruptcy Code §1112 or otherwise is at any time entered, (a) the Superiority Claims, Liens and Replacement Liens granted pursuant to this Final Order to the Agent, for the benefit of the Agent and the Lenders, and to the Textron Prepetition Lenders, as the case may be, shall continue in full force and effect, shall remain binding on all parties in interest notwithstanding such dismissal and (b) this Court shall, to the extent permitted by applicable law, retain jurisdiction, notwithstanding such dismissal, for the purposes of enforcing such Superpriority Claims, Liens and Replacement Liens.

12. Upon the occurrence and during the continuance of an Event of Default, the Agent, acting at the direction of the Required Lenders, may exercise all rights and remedies

and take all or any actions without further modification of the automatic stay pursuant to Bankruptcy Code § 362 (which is hereby deemed modified and vacated to the extent necessary to permit such exercise of rights and remedies and the taking of such actions) or further order of or application to this Court in order to: (a) terminate the Postpetition Financing and thereafter cease to make Loans to the Debtors; (b) declare the principal of and accrued interest, fees and other liabilities constituting the Obligations to be due and payable; (c) setoff amounts in accounts maintained with a Lender or any affiliate thereof, except for amounts in the Trustee's accounts funded for incurred but not yet paid fees of the Trustee and the Trustee's professionals, or otherwise enforce rights against any other Collateral in the possession of any Lender or any affiliate thereof; (d) immediately file a plan of reorganization for each Debtor on an individual or joint basis, notwithstanding the exclusivity rights granted to the Debtors under § 1121(b) and (c) of the Bankruptcy Code; and/or (e) exercise any other right or remedy permitted to the Agent, the Lenders or any affiliate thereof under the Loan Documents, this Final Order or by operation of law; provided, however, the Agent and the Lenders may take the actions described in clauses (c) or (e) above only after providing three business days' prior written notice to the Trustee, its counsel, the United States Trustee and any Committee and provided that no order prohibiting such actions is entered by this Court during such three business day period. The Trustee and each Debtor waives any right to seek relief under the Bankruptcy Code, including without limitation, under Bankruptcy Code § 105, to the extent any such relief would in any way restrict or impair the rights and remedies of the Agent and the Lenders set forth in this Final Order and in the Loan Documents, provided that such waiver shall not preclude the Trustee or any Debtor from contesting whether a Default or Event of Default has occurred and is then continuing.

13. The Trustee and the Debtors are authorized and directed to perform all acts, and execute and comply with the terms of such other documents, instruments and agreements in



addition to the Loan Documents, as the Agent or the Lenders may reasonably require, as evidence of and for the protection of the Obligations, or which otherwise may be deemed reasonably necessary by the Agent or the Lenders to effectuate the terms and conditions of this Final Order and the Loan Documents. The Trustee, the Debtors, the Agent and the Lenders are hereby authorized to implement, in accordance with the terms of the Credit Agreement, any modifications (including without limitation, any change in the number or composition of the Lenders) of the Credit Agreement which are not material and adverse to the Debtors without further order of this Court.

14. Having been found to be extending credit and making Loans to the Debtors in good faith, the Agent and the Lenders shall be entitled to the full protection of Bankruptcy Code § 364(e) with respect to the Obligations and the Liens created or authorized by this Final Order in the event that this Final Order or any authorization contained herein is stayed, vacated, reversed or modified on appeal. Any stay, modification, reversal or vacation of this Final Order shall not affect the validity of any obligation of the Trustee or any Debtor to the Agent or the Lenders incurred pursuant to this Final Order. Notwithstanding any such stay, modification, reversal or vacation, all Loans made pursuant to this Final Order and the Credit Agreement, all uses of the Textron Cash Collateral and all Obligations incurred by the Debtors hereto or the Loan Documents prior to written notice to the Textron Prepetition Lenders of the effective date of such stay, modification, reversal or vacation, shall be governed in all respects by the original provisions hereof and the Agent, the Lenders and the Textron Prepetition Lenders shall be entitled to all the rights, privileges and benefits, including without limitation, the Liens, Replacement Liens and Superpriority Claims granted herein.

15. The provisions of this Final Order and any actions taken pursuant hereto shall survive entry of any order which may be entered (a) confirming any plan of reorganization

in any of the Chapter 11 Cases (and the Obligations shall not be discharged by the entry of any such order or pursuant to Bankruptcy Code § 1141(d)(4), the Trustee and the Debtors having hereby waived such discharge); (b) converting any of the Chapter 11 Cases to a Chapter 7 case; or (c) dismissing any of the Chapter 11 Cases, and the terms and provisions of this Final Order as well as the Superpriority Claims, Liens and Replacement Liens granted pursuant to this Final Order and the Loan Documents shall continue in full force and effect notwithstanding the entry of such order, and such Superpriority Claims, Liens and Replacement Liens shall maintain their priority as provided by this Final Order until all of the Obligations and all obligations in respect of the matters set forth in clauses (i) through (iv) of Paragraph 8(b) are indefeasibly paid in full and discharged.

16. The findings contained in Paragraphs D and E shall be binding upon all parties in interest, including without limitation, the Trustee, the Debtors and any Committees, unless (a) a party in interest (including any Committee) has filed an adversary proceeding or contested matter (subject to the limitation set forth in the last sentence of Paragraph 4) challenging the validity, enforceability or priority of the Textron Prepetition Obligations or the Textron Prepetition Lenders' liens on the Textron Prepetition Collateral in respect thereof, or otherwise asserting any claims or causes of action against the Textron Prepetition Lenders on behalf of the Debtors' estates, no later than October 1, 2003 and (b) the Court rules in favor of the plaintiff in any such timely filed adversary proceeding or contested matter. If no such adversary proceeding or contested matter is commenced as of such date, the Textron Prepetition Obligations shall constitute allowed claims, not subject to subordination and otherwise unavoidable, for all purposes in the Chapter 11 Cases and any subsequent Chapter 7 cases, the Textron Prepetition Lenders' liens on the Textron Prepetition Collateral shall be deemed legal, valid, binding, perfected, not subject to subordination and otherwise unavoidable, and the Textron Prepetition

Lenders, the Textron Prepetition Obligations and the Textron Prepetition Lenders' liens on the Textron Prepetition Collateral shall not be subject to any challenge by any party in interest seeking to exercise the rights of the Debtors' estates, including without limitation, any successor thereto. If any such adversary proceeding or contested matter is commenced as of such date, the findings contained in Paragraphs D and E shall nonetheless remain binding and preclusive (as provided in the second sentence of this Paragraph 16) except to the extent that such findings were expressly challenged in such adversary proceeding or contested matter.

17. Entry of this Final Order shall be without prejudice to any and all rights, remedies, claims and causes of action which the Agent, the Lenders or the Textron Prepetition Lenders may have against the Debtors or third parties, and without prejudice to the right of the Agent, the Lenders and the Textron Prepetition Lenders to seek relief from the automatic stay in effect pursuant to Bankruptcy Code § 362, or any other relief in the Chapter 11 Cases, and the right of the Trustee or any Debtor to oppose any such relief. The provisions of this Final Order shall be binding upon and inure to the benefit of the Agent, the Lenders, the Textron Prepetition Lenders, the Trustee, the Debtors, and their respective successors and assigns, including any future trustee or other fiduciary hereafter appointed in the Chapter 11 Cases.

Dated:

Reno, Nevada  
August 14, 2003



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GREGG W. ZIVE, UNITED STATES BANKRUPTCY JUDGE

[signatures continued on next page]

AUG-14-2003 10:04 FROM HONIGMAN MILLER SCHWARTZ TO #09717024717435

P.02/02

Submitted by:



Jay B. Calton, Esq.  
Honigman Miller Schwartz and Cohn LLP  
2290 First National Building  
Detroit, MI 48226

and

Joan C. Wright, Esq.  
Allison, MacKenzie, Russel, Pavlakis,  
Wright & Fagan, Ltd.  
402 North Division Street  
P.O. Box 646  
Carson City, NV 89702

Counsel for the Trustee

Approved:

Michael C. Richman, Esq.  
Mayer, Brown, Rowe & Maw  
1675 Broadway  
New York, NY 10019

and

Candace C. Carlyon, Esq.  
Shea & Carlyon, Ltd.  
233 S. Fourth Street  
Second Floor  
Las Vegas, NV 89101

Counsel for Textron Financial Corporation

[signatures continued on next page]

Submitted by:

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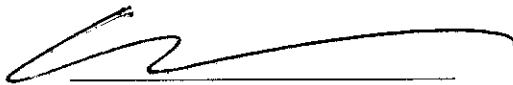
Judy B. Calton, Esq.  
Honigman Miller Schwartz and Cohn LLP  
2290 First National Building  
Detroit, MI 48226

and

Joan C. Wright, Esq.  
Allison, MacKenzie, Russel, Pavlakis,  
Wright & Fagan, Ltd.  
402 North Division Street  
P.O. Box 646  
Carson City, NV 89702

Counsel for the Trustee

Approved:



---

Michael C. Richman, Esq.  
Mayer, Brown, Rowe & Maw  
1675 Broadway  
New York, NY 10019

and

Candace C. Carlyon, Esq.  
Shea & Carlyon, Ltd.  
233 S. Fourth Street  
Second Floor  
Las Vegas, NV 89101

Counsel for Textron Financial Corporation

[signatures continued on next page]

08-14-03

13:38

From-Riemer &amp; Braunstein LLP

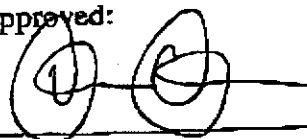
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P.002/002

F-063

Approved:



Alan L. Braunstein, Esq.  
Christopher M. Condon, Esq.  
Riemer & Braunstein LLP  
Three Center Plaza  
Boston, MA 02108

and

Janet L. Chubb, Esq.  
Amy N. Tirc, Esq.  
Jones Vargas  
100 W. Liberty St., 12<sup>th</sup> Floor  
P.O. Box 89504-0281  
Reno, NV 89504-0281

Counsel for Sovereign Bank

Approved:

---

David S. Heller, Esq.  
Timothy a. Barnes, Esq.  
Latham & Watkins, LLP  
Sears Tower, Suite 5800  
233 S. Wacker Drive  
Chicago, IL 60606

and

Jennifer A. Smith, Esq.  
Lionel, Sawyer & Collins  
1100 Bank of America Plaza  
50 W. Liberty Street  
Reno, NV 89501

Counsel for Heller Financial, Inc.

[signatures continued on next page]

Approved:

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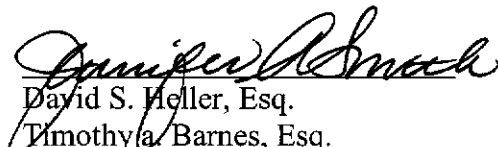
Alan L. Braunstein, Esq.  
Christopher M. Condon, Esq.  
Riemer & Braunstein LLP  
Three Center Plaza  
Boston, MA 02108

and

Janet L. Chubb, Esq.  
Amy N. Tirre, Esq.  
Jones Vargas  
100 W. Liberty St., 12<sup>th</sup> Floor  
P.O. Box 89504-0281  
Reno, NV 89504-0281

Counsel for Sovereign Bank

Approved:



---

David S. Heller, Esq.  
Timothy A. Barnes, Esq.  
Latham & Watkins, LLP  
Sears Tower, Suite 5800  
233 S. Wacker Drive  
Chicago, IL 60606

and

Jennifer A. Smith, Esq.  
Lionel, Sawyer & Collins  
1100 Bank of America Plaza  
50 W. Liberty Street  
Reno, NV 89501

Counsel for Heller Financial, Inc.

[signatures continued on next page]


KMZ

; 8-14- 3 ; 9:41AM ;

KMZ Rosenman

7024717435;# 2/ 2

Approved:

  
Marsha A. Houston, Esq.  
2029 Century Park East, Suite 2600  
Los Angeles, CA 90067-3012

and

Jeffrey L. Hartman, Esq.  
Hartman & Hartman  
419 West Plumb Lane  
Reno, NV 89509

Approved:

Office of the United States Trustee

By: William B. Cossitt, Esq.  
300 S. Booth St.  
Reno, NV 89509

DET C587449.2  
8/14/03 8:37 a.m.



Approved:

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Marsha A. Houston, Esq.  
2029 CenturyPark East, Suite 2600  
Los Angeles, CA 90067-3012

and

Jeffrey L. Hartman, Esq.  
Hartman & Hartman  
419 West Plumb Lane  
Reno, NV 89509

Approved:

Office of the United States Trustee



By: William B. Cossitt, Esq.  
300 S. Booth St.  
Reno, NV 89509

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8/14/03 8:37 a.m.